



363 West Erie Street
7th Floor
CHICAGO, IL 60610
www.bluestarenergy.com

PHONE (312) 628-8666
FAX (312) 628-8668

Mr. Eric P. Schlaf
Senior Economic Analyst
Energy Division
Illinois Commerce Commission
527 East Capitol Ave.
Springfield, IL 62701

**Re: Response to May 5, 2006 Retail Competition Workshop Process
Notice**

Dear Mr. Schlaf:

In response to your request for comments on a working definition of “Retail Competition” for purpose of this Workshop, BlueStar Energy Services, Inc. is agreeable to the definition set forth by the Coalition of Energy Suppliers, namely that

Retail competition is characterized by the ability of consumers to choose from multiple alternatives with varying value propositions to best suit their needs. The competitive process that suppliers and consumers engage in to develop these alternatives leads to innovation and a furtherance of consumer benefits as competitors seek the business of individual customers. Retail competition depends on low barriers to entry and on clear, transparent legal institutions governing the terms on which rival firms compete. The transition from monopoly to competitive retail markets requires ongoing and active regulatory oversight.

As far as the availability of BlueStar for follow-up teleconferences, any of the proposed dates will work.

Sincerely,

Jon M. Casadont
General Counsel
BlueStar Energy Services, Inc.